STATE SENATOR
BEVERLY GARD

SEN. BEVERLY GARD

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Fellow Taxpayers:
Because we have reduced the size and content of this post-session newsletter, you will find additional information on my Web site.

B.G.

WWW.IN.GOV/SENATOR.GARD


SEN. GARD: BILLS I SUPPORTED THIS SESSION

✓ **Child Support:** In an effort to collect more than $2 billion in overdue child support payments, lawmakers passed a bill to withhold casino winnings from those who ignore their court-ordered obligations. The Indiana Department of Child Services estimates more than 165,000 "deadbeat parents" each owe more than $2,000 in support payments. Colorado passed a similar law in July.

✓ **Ag Assessments:** Senate Enrolled Act 396 uses an adjusted rolling average that eliminates the highest assessed value over a six-year period. Known by economists as the "Modified Olympic Average" technique, the model should provide farmers and local governments more stable agricultural property assessments. It should provide farmers with $75 million in financial relief over the next three years.

✓ **Government Ethics:** Legislators passed comprehensive ethics reform legislation, which I co-authored, creating a one-year cooling-off period before a retired legislator could become a lobbyist and requiring uniform reporting by all lobbyists. The threshold for reported one-time lobbyist expenses drops from $100 to $50, with the annual total dropping from $500 to $250. Registration and reporting requirements now include legislative liaisons of state agencies and universities.
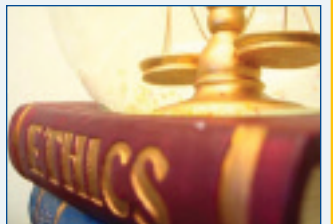
✓ **Utility Co-Ops:** Lawmakers passed a measure allowing rural telephone and electric cooperatives to merge into single co-ops. Supporters of Senate Enrolled Act 126, which I authored, say merging co-ops could increase the utilities' management efficiencies and streamline efforts to more cost-effectively bring service to Hoosiers in rural communities.

JOBS: LAWMAKERS FIGHT NEW SPENDING, NEW TAXES; PASS PRO-JOBS INITIATIVES TO HELP HOOSIERS

With little time and no money, lawmakers worked this short session to maintain Indiana's pro-job climate of competitive tax rates and limited regulation.

Legislators kept a close, careful eye on proposed legislation and amendments to avoid new state expenditures and government intervention that would have raised taxes and imposed red tape during already hard times for Indiana's workforce and employers.

Gov. Mitch Daniels, with the support of Senate Republicans, rightly reacted to tumbling state revenues by cutting government spending, flat-lining state payrolls and freezing all but essential hiring. To date, state agencies have cut 20 percent from operating budgets. Reluctantly, higher education funding has been reduced 6 percent and public K-12 schools – nearly half of the state budget – have been asked to find 3 percent in new cost savings and efficiencies to help save classroom teachers' jobs.

Legislators also successfully delayed $400 million in new unemployment insurance premiums from going into effect in 2010. By avoiding premium increases, lawmakers hope employers large and small will be in stronger positions to retain or add employees.

Lawmakers also passed initiatives to help Hoosiers recover from the national recession:

• **New Employer Tax Credits** will be offered to businesses relocating or incorporating in Indiana. Qualified businesses must hire 10 or more full-time employees, not including owners.

• **Small Business Tax Credits** will be expanded to make small employers with fewer than 35 workers eligible for Economic Development for a Growing Economy (EDGE) credits.

• **Small Business Ombudsman** will be an advocate for small employers with state agencies, helping navigate regulations, streamline paperwork and coordinate due dates. Also, the ombudsman will monitor outdated, ineffective and overly burdensome reporting requests and red tape.

• **H.I.R.E.** (Helping Indiana Re-start Employment) initiative will offer tax incentives to employers who hire and train unemployed and underemployed Hoosiers.

PROPERTY TAX CAPS

Hoosier voters in November's general election will determine if permanent caps on property tax rates will be added to Indiana's Constitution.

Lawmakers this session gave final approval to a resolution that would constitutionally cap property tax rates at 1 percent for owner-occupied homes, 2 percent for other residential and agricultural properties and 3 percent for businesses.

This action sets the stage to make these 1-2-3 caps part of the constitution.

In the immediate aftermath of the 2007 property tax crisis, both chambers passed the property tax caps amendment in 2008.

Thanks to the 2010 approval, the amendment has now been passed by two separately-elected sessions of the General Assembly and can go before voters on Nov. 2.

This year's action by both the Senate and House proves lawmakers are once again siding with taxpayers and not tax spenders – keeping the promise of permanent property tax relief and reform.

EDUCATION

This session, lawmakers provided schools more financial flexibility and local control. We also took steps to address social promotion of students not reading at grade level.

Under House Enrolled Act 1367, schools can claim up to 5 percent of funding normally dedicated to capital projects and use it for instructional purposes. Schools agreeing to pay freezes for staff, excluding those for years of experience and new degrees, can use up to 10 percent. By allowing access to these resources, money will be available to help schools prevent teacher layoffs and preserve instructional programs.

To avoid additional software costs and provide more local control, Senate Enrolled Act 309 gives local schools the option to continue budgeting on the calendar year or change to the state's fiscal year, July 1 – June 30.

HEA 1367 also requires a new statewide plan to improve reading performance among grade-schoolers. Input will be sought through public hearings.